

---

## Bill and Account Collectors

---

(0\*NET 43-3011.00)

---

### Nature of the Work

Bill and account collectors, called simply *collectors*, keep track of accounts that are overdue and attempt to collect payment on them. Some are employed by third-party collection agencies, while others—known as “in-house collectors”—work directly for the original creditors, such as department stores, hospitals, or banks.

The duties of bill and account collectors are similar in the many different organizations in which they are employed. First, collectors are called upon to locate and notify customers of delinquent accounts, usually over the telephone, but sometimes by letter. When customers move without leaving a forwarding address, collectors may check with the post office, telephone companies, credit bureaus, or former neighbors to obtain the new address. The attempt to find the new address is called “skip tracing.”

Once collectors find the debtor, they inform him or her of the overdue account and solicit payment. If necessary, they review the terms of the sale, service, or credit contract with the customer. Collectors also may attempt to learn the cause of the delay in payment. Where feasible, they offer the customer advice on how to pay off the debts, such as by taking out a bill consolidation loan. However, the collector’s prime objective is always to ensure that the customer pays the debt in question.

If a customer agrees to pay, collectors record this commitment and check later to verify that the payment was indeed made. Collectors may have authority to grant an extension of time if customers ask for one. If a customer fails to respond, collectors prepare a statement indicating the customer’s action for the credit department of the establishment. In more extreme cases, collectors may initiate repossession proceedings, disconnect the customer’s service, or hand the account over to an attorney for legal action. Most collectors handle other administrative functions for the accounts assigned to them, including recording changes of addresses and purging the records of the deceased.

Collectors use computers and a variety of automated systems to keep track of overdue accounts. Typically, collectors work at video display terminals that are linked to computers. In sophisticated predictive dialer systems, a computer dials the telephone automatically, and the collector speaks only when a connection has been made. Such systems eliminate time spent calling busy or nonanswering numbers. Many collectors use regular telephones, but others wear headsets like those used by telephone operators.

### Employment

Bill and account collectors held about 413,000 jobs in 2002. About 1 in 5 collectors works for collection agencies. Many others work in banks, retail stores, government, hospitals, and other institutions that lend money and extend credit.

### Job Outlook

Employment of bill and account collectors is expected to grow faster than the average for all occupations through 2012. Cash flow is becoming increasingly important to companies, which are now placing greater emphasis on collecting bad debts sooner. Thus, the workload for collectors is up as they seek to collect, not only debts that are relatively old, but ones that are more recent. Also, as more companies in a wide range of industries get involved in lending money and issuing their own credit cards, they will need to hire collectors, because debt levels will inevitably rise. Hospitals and physicians’ offices are two of the fastest-growing areas requiring



*Bill and account collectors notify people when payments are overdue and negotiate settlements.*

collectors. With insurance reimbursements not keeping up with cost increases, the health-care industry is seeking to recover more money from patients. Government agencies also are making more use of collectors to collect on everything from parking tickets to child-support payments and past-due taxes. Finally, the Internal Revenue Service (IRS) is looking into outsourcing the collection of overdue Federal taxes to third-party collection agencies. If the IRS does outsource, more collectors will be required for this large job.

Despite the increasing demand for bill collectors, an increasing number of mergers between collection agencies may result in fewer collectors being hired. Small, less automated agencies are being bought by larger, more computerized firms, resulting in greater productivity. Contrary to the pattern in most occupations, employment of bill and account collectors tends to rise during recessions, reflecting the difficulty that many people have in meeting their financial obligations. However, collectors usually have more success at getting people to repay their debts when the economy is good.

### Sources of Additional Information

Career information on bill and account collectors is available from

► Association of Credit and Collection Professionals, P.O. Box 39106, Minneapolis, MN 55439. Internet: <http://www.acainternational.org> (Information on working conditions, training requirements, and earnings appears in the introduction to financial clerk occupations.)